

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	: Chapter 11
DELPHI CORPORATION, <u>et al.</u> ,	: Case No. 05-44481 (RDD)
Debtors.	: (Jointly Administered)
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FINAL ORDER UNDER 11 U.S.C. ' 327(e) AND  
FED R. BANKR. P. 2014 AUTHORIZING EMPLOYMENT AND RETENTION OF  
SHEARMAN & STERLING LLP AS SPECIAL COUNSEL TO DEBTORS

("SHEARMAN & STERLING RETENTION FINAL ORDER")

Upon the application, dated October 8, 2005 (the "Application"), of Delphi Corporation and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), for a final order (the "Final Order") under 11 U.S.C. ' 327(e) and Fed. R. Bankr. P. 2014(a) authorizing the employment and retention of Shearman & Sterling LLP ("Shearman & Sterling") as special counsel to the Debtors; and upon the Affidavit Of Robert S. Miller, Jr. In Support Of Chapter 11 Petitions And First Day Orders, sworn to October 8, 2005, and upon the Affidavit of Douglas P. Bartner, sworn to October 8, 2005, in support of the Application (the "Bartner Affidavit"); and this Court being satisfied with the representations made in the Application and the Bartner Affidavit that Shearman & Sterling does not represent or hold any interest adverse to any of the Debtors' estates or the Debtors with respect to the matters on which Shearman & Sterling is to be employed, and that Shearman & Sterling's employment is necessary and would be in the best interests of each of the Debtors' estates; and it appearing that proper and adequate notice has been given and that no other or further

notice is necessary; and upon the record herein; and after due deliberation thereon; and  
good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is GRANTED on a final basis.
2. The Debtors' employment of Shearman & Sterling as their special  
counsel, effective as of the Application date, to perform the services set forth in the  
Application, is approved under section 327(e) of the Bankruptcy Code, and Rule 2014 of  
the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").
3. Shearman & Sterling shall be compensated in accordance with the  
standards and procedures set forth in sections 330 and 331 of the Bankruptcy Code and all  
applicable Bankruptcy Rules, Local Bankruptcy Rules for the United States Bankruptcy  
Court for the Southern District of New York (the "Local Rules"), guidelines established by  
the Office of the United States Trustee, and further orders of this Court. Without limiting  
the foregoing, Shearman & Sterling shall make reasonable efforts to ensure that the  
Debtors' estates are not charged for any duplication of services with the other professionals  
retained in these cases.
4. Any party-in-interest shall have the right to raise the issue of the  
application of Shearman & Sterling's prepetition retainer to postpetition fees and expenses  
incurred at any time.
5. This Court shall retain jurisdiction to hear and determine all matters  
arising from the implementation of this Final Order.

6. The requirement under Local Rule 9013-1(b) for the service and filing of a separate memorandum of law is deemed satisfied by the Application.

Dated: November 4, 2005  
New York, New York

/s/ Robert D. Drain  
UNITED STATES BANKRUPTCY JUDGE